

Title IV *WAN IPT*

*“We Help
Put America
Through
School”*

*SFA to the Internet
Business Case
IT IRB Presentation
February 13, 2001*





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Business Case Development Product for TIV WAN IPT

- IT IRB authorized \$737,000 to develop the business case to cut the cost of TIV WAN.
- We got the job done --- contracts for five related business cases that cost only \$514,000.



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Cost vs. Savings

- We propose a share in savings (SIS) contract and are working SIS vs. Firm Fixed Price (FFP) comparison into the Master Business Case.
- FFP cost estimate \$4.3 million
 - SFA will save over \$2 million annually starting in FY02 – increasing to \$3 million in FY 05 and beyond.
 - Full Payback in FY 03.
- SIS Approach
 - Cost estimates anticipated to be higher due to carrying costs.
 - Enables zero SFA upfront expenditures.
- Billing of Schools continue = \$2.1 million of operation cost over a five year period.



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What do you need today?

- We plan to spend the remaining \$200,000 of the previously authorized \$737,000 to begin work on the requirements analysis for the SFA to the internet project.
- Need to start today to accomplish a substantial completion of migration to the internet.



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Schedule for Conversion

- August 21, 2001: Schools will be able to begin transition.
- End of September we will have the bulk of the data being transmitted via the internet. (approximately 1,000 schools)
- Remainder of the 7000 schools will be completed by December 18, 2001.
- Extend TIV WAN contract beyond September 2001 to December 2001.



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Question: Why can't schools move faster?

- Schools, especially mainframe schools, have limited technical resources and money.
- Schools are busy with enrollment processing in August/September.